

Minneapolis Community Development Agency

Request for City Council Action

Date: March 4, 2003

To: Council Member Scott Benson, Intergovernmental Relations Committee

Prepared by: Ann Calvert, Phone 612-673-5023

Approved by: Lee Sheehy, MCDA Executive Director

Chuck Lutz, MCDA Deputy Executive Director _____

Subject: Approval of Resolution Supporting “Unified Park” on East Bank of Mississippi River Near St. Anthony Falls

Previous Directives: In 1996, the City Council approved a resolution endorsing the concept of a whitewater park at Lower St. Anthony Falls. In several actions from 1996 to 2001, the City Council and MCDA Board have approved various actions related to the application by Xcel Energy to re-license its Hennepin Island hydroelectric plant. This included the conceptual approval in 1998 of the proposed St. Anthony Falls East Bank Park Development Master Plan. Other actions have included the submission of formal MCDA/City comments, requests for additional studies and Motions to Intervene.

Ward: 2 and 5

Neighborhood Group Notification: The Marcy-Holmes Neighborhood Association has received a copy of this report and has indicated that it supports the concept of a “unified park.”.

Consistency with *Building a City That Works*: Construction of the proposed “unified park” will achieve Goal 4.B. – Redevelop the upper and central Mississippi riverfront.

Comprehensive Plan Compliance: The proposed Xcel and whitewater parks are not inconsistent with The Minneapolis Plan.

Zoning Code Compliance: The zoning of the area in question (R1A, I1 and I2) permits park uses. Actual plans will need review for compliance with appropriate zoning provisions, including the Shoreland Ordinance.

Impact on MCDA Budget: (Check those that apply)

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- ☒ No financial impact
- ☐ Action requires an appropriation increase to the MCDA Budget
- ☐ Action provides increased revenue for appropriation increase
- ☐ Action requires use of contingency or reserves
- ☐ Other financial impact (Explain):

Living Wage / Business Subsidy: Not applicable.

Job Linkage: Not applicable.

Affirmative Action Compliance: Not applicable.

RECOMMENDATION:

City Council Recommendation: The Executive Director recommends that the City Council adopt the attached resolution supporting a “unified park” concept on the east bank of the Mississippi River near Upper and Lower St. Anthony Falls.

Background/Supporting Information

Two park developments are proposed to complement the existing Hennepin Bluffs park area (owned and operated by the Minneapolis Park and Recreation Board) on the east bank of the Mississippi River near St. Anthony Falls. These include park improvements on land owned by Xcel Energy adjacent to Upper St. Anthony Falls (generally upriver from Hennepin Bluffs) and a whitewater park proposed for a site adjacent to Lower St. Anthony Falls (immediately downriver from Hennepin Bluffs). This report recommends approval of a resolution supporting a “unified park” approach that recognizes the appropriateness of viewing these areas as a seamless park experience that would benefit from unified, rather than piecemeal, planning. This approach would also facilitate obtaining planning and implementation funds for the project area as a whole.

Hennepin Island/Xcel re-licensing process

Xcel Energy has applied to the Federal Energy Regulatory Commission (FERC) to re-license Xcel’s hydroelectric generation plant at Hennepin Island. This re-licensing process typically requires the utility to provide mitigation for adverse effects associated with the operation of its facility. In this instance, Xcel convened a Master Planning Committee to work with its consultant to prepare a Master Plan which called for development of most of Hennepin Island as parkland (see enclosed map), including some enhancements to the existing park. This park development would provide mitigation through improved public access to the River and to views of the Falls, restoration of the last remaining portion of the original rock-faced Falls, restoration and interpretation of historic features and of the shoreline of the island, and facilitation of the development of the adjacent Whitewater Park. Development of new park areas on Hennepin Island would fill one of the last remaining gaps in the public access and greenspace corridor, which extends along both sides of the river from the southern boundaries of the city through and above the Falls. The cost of full development of parkland on Hennepin Island is estimated at \$8.5 million, exclusive of the value of any land and infrastructure improvements, which may be donated by Xcel.

Consensus has not been reached as to how this Hennepin Island park plan should be implemented and how much Xcel should be required to contribute as part of the FERC re-licensing requirements. In 2001, a number of parties, including the City of Minneapolis, Park Board, Department of Natural Resources (DNR), adjacent Marcy-Holmes neighborhood, Mississippi Whitewater Park Development Corporation, and various environmental and boating organizations filed "Motions to Intervene." These motions all encouraged the FERC to require Xcel to provide a sufficient level of mitigation as a condition of re-licensing. Xcel's amended license application proposes that Xcel complete a partial package of park improvements, but not implementation of the full park plan. The actual level of mitigation required will be determined by the FERC and will be based mainly on the economic capacity of the hydroelectric plant. A ruling from the FERC is anticipated in 2003.

Whitewater Park

In 1998, the state passed legislation establishing a whitewater trail in the Mississippi corridor below St. Anthony Falls and appropriated \$100,000 for a feasibility study of that project. The feasibility study, which was completed in 1999, further specified the project location as extending from just downstream of the Stone Arch Bridge to just downstream of the 10th Avenue Bridge, on the east side of the river adjacent to Lower St. Anthony Falls. This location is directly adjacent to the parkland proposed for creation on Hennepin Island in the Master Plan mentioned above (see enclosed map). The Whitewater Park feasibility study also confirmed the basic feasibility of the project and showed that there would be significant visitorship to such a facility.

In 2000, the DNR assumed the role of local sponsor of the project. Also in that year, \$10 million in federal funds were authorized for the project, to be disbursed through the Army Corps of Engineers (Corps); this action therefore brought in the Corps as a project partner. An initial \$1,600,000 portion of the federal authorization was appropriated to fund an in-depth review of the feasibility study and detailed design of the project. This federal funding requires a non-federal match. An additional \$1,000,000 appropriation was recently approved by Congress and is awaiting presidential approval. To date, a DNR match has been secured for the first \$1,000,000 of this amount. A consultant team working under contract to the Corps is in the process of completing the first portion of that task, an Engineering Documentation Report (EDR) taking a more in-depth look at the engineering and environmental aspects of the project and its costs. This EDR indicates that the projected cost of implementation of the whitewater park will be between \$18 to \$23 million.

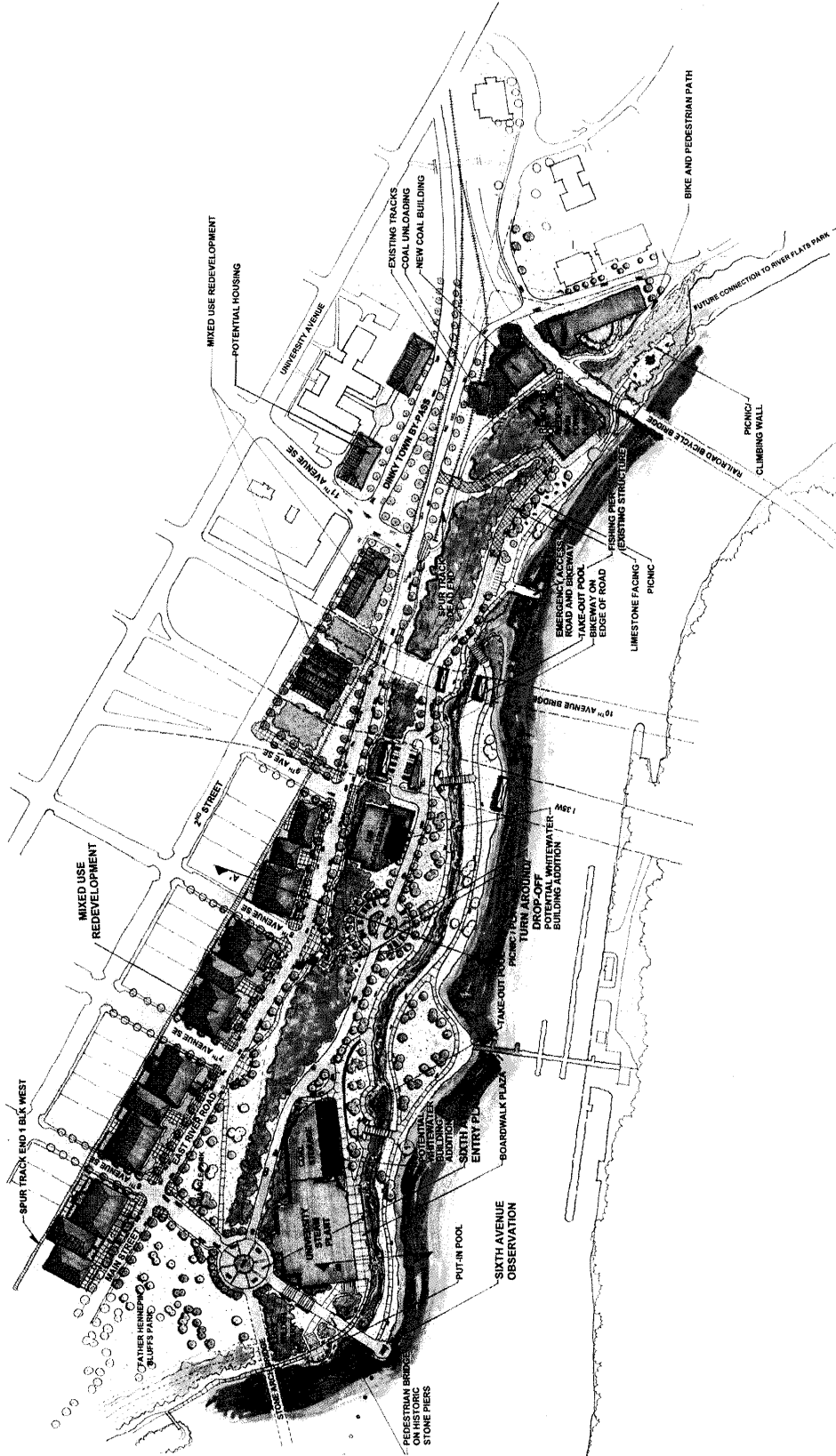
Current status and need for this resolution

The DNR anticipates seeking the allocation of state matching funds in the current legislative session to provide the local match for federal funding of design-development-level planning of the Whitewater Park. The DNR sees the development of Hennepin Island as parkland as an integral part of Whitewater Park development and as necessary to its success. Therefore, design development of the Whitewater Park would logically include this adjacent potential parkland, but Corps funding parameters currently

would restrict this planning to the boundaries of the Whitewater Park as currently defined. The DNR, with the support of the Mississippi Whitewater Park Development Corporation, is therefore seeking to broaden the geographically-defined boundaries of the Whitewater Park to permit these funds to be used for more holistic planning. This broadening could also open the potential of funding some park improvements on Hennepin Island through the Corps of Engineers or other sources.

The DNR has requested that the City of Minneapolis indicate its support for the concept of a unified park. This resolution will assist the DNR as it pursues both state match funding and the broadening of the federally-defined Whitewater Park planning boundary. A similar support resolution is being considered by the Minneapolis Park and Recreation Board on February 26.

AC688



0.50' 1.00' 2.00'

NORTH

MAY 18, 1999

Figure 4-16 Site Master Plan

MISSISSIPPI WHITE WATER PARK

MISSISSIPPI WHITE WATER PARK
 MCLAUGHLIN WATER ENGINEERS / JOHN ANDERSON ARCHITECT
 DAMON FARRER ASSOCIATES LANDSCAPE ARCHITECTS

NORTH

SCALE: 1" = 50.0'

OCTOBER 1998

**ST ANTHONY FALLS
EAST BANK PARK
DEVELOPMENT:
UPPER DAM TO LOWER DAM**

[illegible]

Endorsing the Mississippi Whitewater Park and Hennepin Island Unified Park Concept.

Whereas, the City of Minneapolis (“Minneapolis”) supports the revitalization and environmental restoration of the Mississippi River, including the provision of public access to the river and the creation of opportunities for increased recreational use of the Mississippi; and

Whereas, starting with the 1972 *Mississippi/Minneapolis* plan, Minneapolis has supported the development of public parkland at Hennepin Island and along the riverbank adjacent to the Lower St. Anthony Falls Lock and Dam; and

Whereas, conversion of these underused areas to public parkland would help close one of the last remaining gaps in the public greenspace corridor in the Minneapolis Riverfront District and enhance the momentum of historic and recreational opportunities in the district; and

Whereas, taking a unified approach to park development of Hennepin Island and the Mississippi Whitewater Park offers recreational synergy and opportunities for management and operation efficiencies; and

Whereas, a unified park will offer the visitor a seamless recreational experience on the east bank of the riverfront; and

Whereas, the proposed unified park would better position the State of Minnesota to leverage federal funds for the entire project area and would offer the potential of other combined funding opportunities; and

Whereas, the State of Minnesota and the Minneapolis Park and Recreation Board have pursued similar objectives of restoring the environmental functioning of the river and providing increased recreational opportunities; and

Whereas, staff of the Minnesota Department of Natural Resources and members of the Mississippi Whitewater Park Development Corporation have met with representatives of the U.S. Army Corps of Engineers, which has expressed interest in and support of the combined park concept;

Now, Therefore, Be It Resolved by The City Council of The City of Minneapolis:
That the City Council endorses the concept of a unified park encompassing Hennepin Island and the east side of both Upper and Lower St. Anthony Falls, and, further, endorses seeking governmental appropriations and other funding necessary for the creation of this unified park.